

OFFICE OF THE GOVERNOR

December 12, 2013

The Honorable Harry Reid Majority Leader United States Senate Washington, DC 20510 The Honorable Mitch McConnell Minority Leader United State Senate Washington, DC 20510

The Honorable John Boehner Speaker of the House United States House of Representatives Washington, DC 20515 The Honorable Nancy Pelosi Minority Leader United States House of Representatives Washington, DC 20510

Dear Majority Leader Reid, Minority Leader McConnell, Speaker Boehner & Minority Leader Pelosi:

I am writing on two urgent matters. First, I am requesting Congress to enact legislation that would extend the availability of the federal extension of Unemployment Insurance (UI) benefits to workers suffering from a job loss.

Congress has authorized federal extension benefits to individuals who have exhausted their regular State UI benefits over the past several years. When these benefits were first authorized, the national unemployment rate was only 5.6 percent. The national rate is still 7 percent and 36 states, including California, have even higher unemployment rates than when the extension benefits were originally authorized. On December 28, 2013, these federal extension benefits are set to expire unless Congress takes immediate action to extend their availability.

These federal extension benefits have provided much needed financial relief to Californians during and since the Great Recession. There are more than 214,000 Californians and 1.3 million Americans that are currently collecting federal extension benefits. These workers will suffer irreparable harm if these federal benefits are allowed to expire. Moreover, this harm will have a ripple effect on the broader economy given the expected decline in GDP and jobs that will result if benefits are not extended.

To ensure federal extension benefits continue without interruption, I urge Congress to swiftly enact legislation that keeps the existing federal extension benefit provisions intact and extends the availability of these benefits through calendar year 2014. This action would prevent more than 214,000 Californian workers from being cut off from a critical financial safety net and ensure state agencies that administer the federal extension benefits can make the necessary computer changes to continue issuing these benefits.

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Second, I am again writing about the severe federal underfunding of the California UI program. In 2013, California's federal UI administrative grant was \$128 million less than what was needed to pay benefits timely and accurately. The UI program continues to experience funding shortfalls and the threat of additional cuts due to sequestration. The continuous funding shortfalls result in benefit delays and prevent the state from providing timely and accurate UI services to unemployed workers suffering a financial hardship. I again urge all of California's Congressional members to support the proper funding of the UI program that is critical to so many Californians that experience a job loss.

I appreciate your attention to both of these important UI matters. Please feel free to contact David M. Lanier, Secretary of the California Labor and Workforce Development Agency, if you have any questions or need to further discuss my requests. Mr. Lanier can be contacted at (916) 653-9900.

Sincerely,

Edition of Brown Jr. Brown cc: Members of the California Congressional Delegation